GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:528
ANSWERED ON:02.03.2007
LOAN TO MINORITY COMMUNITIES
Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Patel Shri Jivabhai Ambalal;Singh Shri Rajiv Ranjan (Lalan);Singh Shri Sugrib;Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government has issued instructions to the banks to reserve a share of loan disbursement for members of minority communities as reported in the Times of India dated January 20,2007;

(b) If so, the details thereof;

(c) whether the instructions issued are in violation of the code of banks commitment to customers announced by the Banking Codes and Standard Board of India(BCSBI) in July, 2006;

(d) if so, the reasons therefor; and

(e) the corrective steps taken/ being taken by the Union Government in this regard?

Answer

(SHRI PAWAN KUMAR BANSAL) MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) & (b): No Sir.

However, the Reserve Bank of India (RBI) had advised all domestic Scheduled Commercial Banks (public sector banks and private sector banks) on 5 July, 2006 to ensure smooth flow of bank credit to the Minority Communities.Under the new `Prime Minister`s 15-Point Programme for the Welfare of Minorities`, domestic Scheduled Commercial Banks have been advised by the RBI on September 1, 2006 to ensure that within the overall target for priority sector lending and the sub-target of 10% for the weaker sections, sufficient care is taken to ensure that minority communities also receive an equitable portion of the credit,

(c): No Sir.

(d) & (e): Do not arise.